



CONSERVATION ALMANAC  
*Tracking Investments in Protected Lands*

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LAND

## State Highlights in Conservation: North Carolina

### Profile of State Program(s)

#### **North Carolina Ecosystem Enhancement Program:**

A Memorandum of Agreement between the North Carolina Department of Transportation, Department of Environment and Natural Resources (DENR) and the U.S. Army Corps of Engineers established the Ecosystem Enhancement Program (EEP) on July 22, 2003. The program's mission is to "restore, enhance, preserve and protect the functions associated with wetlands, streams and riparian areas, including but not limited to those necessary for the restoration, maintenance and protection of water quality and riparian habitats throughout North Carolina."

Revenue for EEP is derived from the Department of Transportation for offsetting impacts of transportation-infrastructure projects. In addition, EEP also leverages other funding sources for the initiative.

#### **North Carolina Clean Water Management Trust**

**Fund:** The North Carolina General Assembly established the Clean Water Management Trust Fund (CWMTF) in 1996 to help finance projects that specifically address water pollution problems including the protection and conservation of watersheds through land acquisition. In support of a million-acre conservation goal established in 2000 the General Assembly agreed to increase funding for CWMTF to \$100 million per year (up from approximately \$30 million) beginning in 2003. The CWMTF is administered by a 21-member, independent CWMTF Board of Trustees and is housed for administrative purposes in the Department of Environment and Natural Resources (DENR). CWMTF funds about one third of the grant requests that it receives. About 25 percent of the Trust Fund is used towards land acquisition.

#### **North Carolina Agricultural Development and Farmland Preservation Trust Fund:**

The Farmland Preservation Trust Fund was originally established in 1986, and in 2005, the Legislature renamed the program, The Agricultural Development and Farmland Preservation Trust Fund. At that time, the description was broadened to include three grant areas: conservation easements, agricultural agreements and programs that develop sustainable or viable agriculture. The Commissioner of Agriculture administers the Trust Fund and a 19-member advisory committee was established to help direct funds and the application process. Revenue is derived from annual allocations from the General Fund.

**North Carolina Natural Heritage Trust Fund:** The Natural Heritage Trust Fund was established in 1987 and provides funding to select state agencies for the acquisition of important natural areas to conserve the state's ecological diversity and cultural heritage, and to inventory the state's natural heritage resources. A twelve-member appointed Board of Trustees and the Natural Heritage Program in the Office of Conservation & Community Affairs in DENR administer the fund and award grants. Revenue is generated through 25 percent of the real estate transfer tax and by \$10 of each vanity license plate sale.

#### **North Carolina Parks and Recreation Trust Fund:**

On July 16, 1994, the North Carolina General Assembly established the Parks and Recreation Trust Fund (PARTF) to fund improvements in the state's park system, and to provide grants for local governments and to increase the public's access to beaches. At the same time, The Parks and Recreation Authority, an eleven-member appointed board, was also created to allocate funds from PARTF to the state parks and to the grants program for local governments. The Trust Fund receives 75 percent of the state's portion of the real estate transfer tax and a portion of the fees for personalized license plates.

The Trust Fund is allocated in three ways:

- 65 percent to the state parks through the N.C. Division of Parks and Recreation.
- 30 percent as dollar-for-dollar matching grants to local governments for park and recreation purposes.
- 5 percent for the Coastal and Estuarine Water Access Program.

## Substantial State Investment

Most conservation funding comes through state appropriations. North Carolina also has a dedicated funding source for land conservation through a real estate transfer tax (\$2 per \$1,000 of the value of the property). Of every two dollars generated from the real estate transfer tax, one-dollar goes to conservation, the other to local governments. The dollar for conservation is split between the Parks and Recreation Trust Fund and the Natural Heritage Trust Fund. Seventy-five cents goes to the Parks and Recreation Trust Fund for land acquisition and capital improvements (65 percent), local park projects (30 percent), and public beach access (5 percent); the remaining 25 cents goes to the Natural Heritage Trust Fund, used primarily for land acquisition. In addition, the sale of personalized license plates is another dedicated source of revenue for the Natural Heritage Trust Fund and the Park and Recreation Trust Fund.

**One North Carolina Naturally:** One North Carolina Naturally is a collaborative, state-led endeavor to accelerate the rate that land is protected in North Carolina and to preserve permanently an additional one million acres of land by the end of 2009. The state is achieving this goal by:

- Fostering partnerships among private and public land protection partners
- Promoting regional open space planning, and
- Providing information about the importance of open space protection.

## State Incentive for Local Conservation Funding

The Agricultural Development and Farmland Preservation Trust Fund requires that a non-profit conservation organization must match 30 percent of trust fund monies received from sources other than NC ADFP Trust Fund.

Tier Two or Three Enterprise Counties:

- With a County Farmland Protection Plan must submit a 15 percent match
- Without a County Farmland Protection Plan must submit a 30 percent match

Tier One Enterprise Counties:

- With a County Farmland Protection Plan must submit a 0 percent match
- Without a County Farmland Protection Plan must have a 30 percent match.

The Park and Recreation Trust Fund uses 30 percent of its revenues for a dollar-for-dollar matching grant to local governments for park and recreation purposes.

## Conservation Tax Credits

In 1983, North Carolina enacted the nation's first state conservation tax credit program, which has become a model for many others. The state offers an income tax credit of 25 percent of the fair market value of land donated to public or private nonprofit conservation entities. The credit limit is \$250,000 for individuals and \$500,000 for corporations. (The original law set the cap for a tax credit at \$5,000. The maximum credit has been raised steadily over the years since then.) Eligible properties contribute to the goals of protecting water supply and quality, retaining working farms and forests, and development of greenways for trails and wildlife corridors. Approximately 20 percent of donations are made by conservation easement.

## Local Financing Enabled

In North Carolina, cities and towns have their own taxing and debt authority. Property tax proceeds in local jurisdictions may be expended for parks and open space. However, there is no authority by which a portion of the tax may be dedicated for this purpose, so expenditures are subject to the annual appropriations process. The only means by which most North Carolina counties and municipalities may generate significant dedicated funds for land conservation is by issuing general obligation bonds upon approval by a majority of the voters. In 2007, the state legislature extended new enabling authority to North Carolina counties, allowing them to ask voters to approve a new local real estate transfer tax or an additional 1/4 cent local sales tax. If approved by county voters, funds from both these

new finance mechanisms could be used for county conservation and recreation land acquisition.

## Local Programs Included

Local conservation programs include:

- Cary, NC
- Guilford County, NC
- Mecklenburg County, NC
- New Hanover County, NC
- Orange County, NC
- Wake County, NC

Visit [www.landvote.org](http://www.landvote.org) for detailed information on these programs.

## Federal Partnerships

Federal agencies and programs that have conserved land in North Carolina include:

- U.S. Department of Defense – Readiness and Environmental Protection Initiative (REPI)
- U.S. Fish and Wildlife Service

- U.S. Fish and Wildlife Service – National Coastal Wetlands Conservation Grant Program
- U.S. Fish and Wildlife Service – North American Wetlands Conservation Act (NAWCA)
- U.S. Fish and Wildlife Service – Section 6 Grant
- U.S. Forest Service
- U.S. Forest Service – Forest Legacy Program (FLP)
- U.S. National Oceanic and Atmospheric Administration – Coastal and Estuarine Land Conservation Program (CELCP)
- U.S. National Park Service
- U.S. National Park Service – LWCF Stateside
- U.S. Natural Resources Conservation Service – Farm and Ranch Lands Protection Program (FRPP)
- U.S. Natural Resources Conservation Service – Grassland Reserve Program (GRP)
- U.S. Natural Resources Conservation Service – Wetlands Reserve Program (WRP)



The Trust for Public Land creates parks and protects land for people, ensuring healthy, livable communities for generations to come.

### The Conservation Almanac

A comprehensive database of land conservation and public conservation funding in America, the Conservation Almanac provides a context for assessing impacts of conservation and the growing conservation finance movement. The Almanac offers information on public dollars spent and acres conserved, details on local, state, and federal conservation programs, and geospatial mapping of conserved land.

Almanac data collection efforts focus on land conserved using public dollars; contributions funded by private and non-governmental organizations are not tracked comprehensively. Federal data is complete from 1998-2017. State and local data is complete from 1998-2008. In the tables and charts below, acres are allocated to each program proportionate to the size of the contributions to each acquisition. For example, if an acquisition had two contributions, and each program contributed equal dollar amounts, each program receives 50% of the acres. If you have questions or want to provide updated information, please contact Jessica Welch at [jessica.welch@tpl.org](mailto:jessica.welch@tpl.org).

[www.tpl.org](http://www.tpl.org)

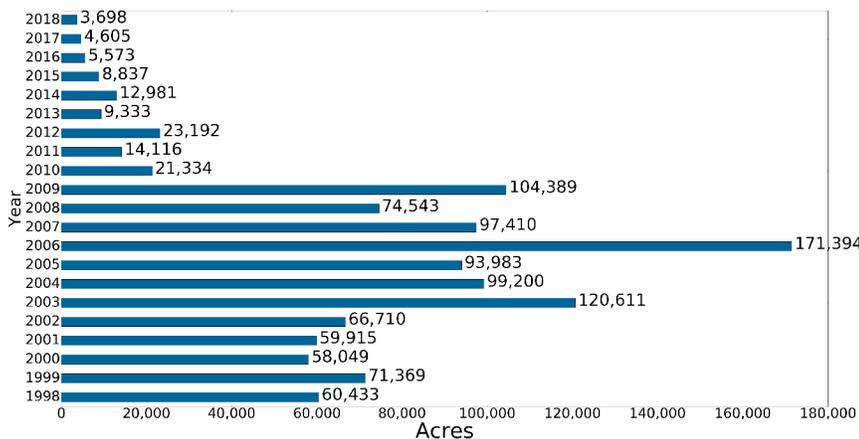
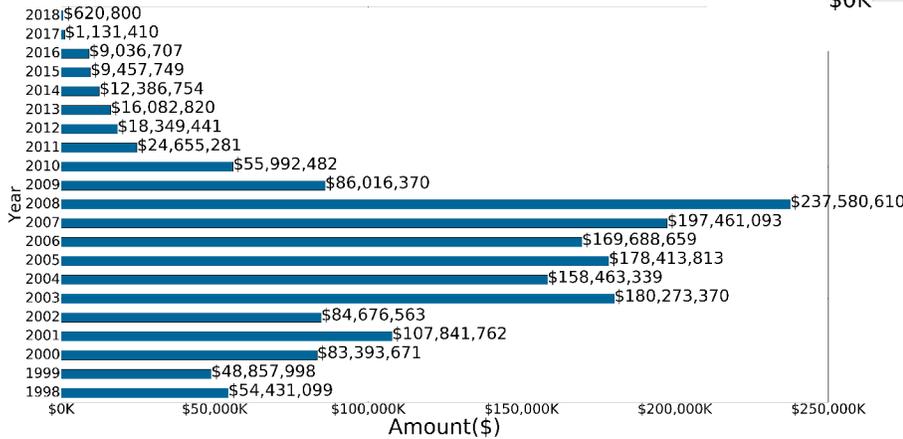
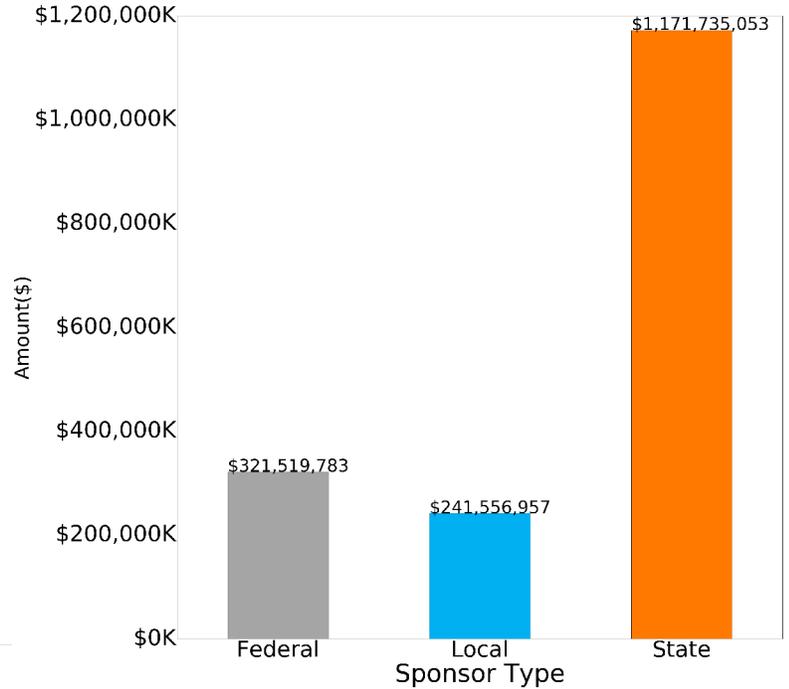
[www.conservationalmanac.org](http://www.conservationalmanac.org)

# State Conservation Report North Carolina



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The data in the Conservation Almanac track the impacts of public spending on land conservation. Created by The Trust for Public Land, the Conservation Almanac brings those data together along with state policy profiles, current conservation finance news, and an interactive map, to provide a powerful online tool.